

BUREAU OF INTELLIGENCE  
AND RESEARCH



CONFIDENTIAL/NOFORN

W-  
C4  
553  
8036  
6/25/59  
C/1

# Intelligence Report

No. 8036

DEPARTMENT OF STATE  
LIBRARY DIVISION

JUL 16 1959

LR FILE COPY

ADENAUER PLEASE RETURN  
TO RETAIN THE REINS OF  
POWER IN THE FEDERAL REPUBLIC

June 25, 1959

DECLASSIFIED

Authority NND 881137

By WT NARA, Date 10/5/89

The party struggle within the Christian Democratic Party which began with Chancellor Adenauer's decision to run for the Presidency and was dramatically highlighted by his reversal of this decision some weeks later, has reached a stage of uneasy truce with the prestige of the Chancellor, his party and the Federal Republic in international affairs at low ebb. The image of the grand old man of Western European politics has been badly tarnished and in its place is a sad picture of petulant authoritarianism and even senility. Whether Adenauer can restore his political and moral leadership is dependent to a large extent on whether developments in the Berlin crisis enable him to assume a leadership role in the field of foreign affairs and to take a major portion of credit for any favorable turn of events.

## Early Phases of the Struggle

The main theme of the struggle for power in the Christian Democratic Union has been the persistent attempt of Chancellor Adenauer either to eliminate or to reduce the political power of Economics Minister Erhard, architect of the German economic recovery and the Chancellor's only significant rival as a popular and respected leader. In February 1959 the Chancellor proposed the nomination of Erhard for the Presidency of the Federal Republic. Since this is a ceremonial office it would have removed the Economics Minister from active politics and eliminated the Chancellor's most promising rival. In an unprecedented revolt against their leader, the CDU rallied behind Erhard and demanded that the party's second most popular figure be retained in a leadership position in the political arena from which he could challenge the Social Democratic Party's bid for power in the next federal elections which will be held in 1961.

THIS IS AN INTELLIGENCE REPORT AND NOT A STATEMENT OF DEPARTMENTAL POLICY

CONFIDENTIAL/NOFORN

NND

881137 -248

- 2 -

The attempt to kick Erhard upstairs backfired to the point where Erhard emerged as the party's logical candidate for the Chancellorship in 1961. With the support of large elements of the CDU, led by Bundestag President Eugen Gerstenmaier, Erhard was now able to give effective expression to the dissatisfaction which many members of the party had long felt with Adenauer's personal dominance and rigid policies. The revolt created a situation which Adenauer could not accept since it challenged his dominant position in the party.

Consequently on April 7 Adenauer without warning reversed the field and accepted the nomination for the Presidency himself, a move which he later maintained was the result of bad advice given him by his party associates. He had apparently been convinced that he would be able to control the main lines of foreign policy from the Presidency, devoting himself to major strategy, conserving his energies and providing for a smooth transition for the state and the party to the post-Adenauer period by presiding over the change himself. It became obvious, however, as the struggle developed that a major motive behind Adenauer's decision to run for the Presidency was his stubborn wish to put Erhard on the shelf. The price which the CDU was asked to pay in return for Adenauer's retirement from the Chancellorship was the acceptance of Franz Etzel, the Finance Minister, as his successor. Etzel, a little known figure of German public life and a former President of the High Authority of the European Coal and Steel Community, had no claim to be political chief of the Federal Republic other than the endorsement of Adenauer.

The CDU once again refused to support the Chancellor. Even the Ruhr industrialists, always at loggerheads with Erhard because of his anti-cartel policies, would not risk a contest with the SPD in 1961 with the relatively colorless Etzel as the conservative candidate for the Chancellorship. The Erhard-Gerstenmaier contingent of the CDU was convinced that Adenauer had overplayed his hand and would retire to the Presidency in September leaving the reins of power in the hands of his Economics Minister.

#### The Struggle at Climax

By the end of May Adenauer was forced to recognize that his personal power in the CDU had been successfully challenged and that Erhard was about to emerge as the actual leader of the party even before the Presidential elections. He acted swiftly. Taking advantage of Erhard's absence in the United States, Adenauer on June 4 reversed his decision to run for the Presidency and announced he would remain as Chancellor. Both the CDU and Erhard were placed in an impossible dilemma. Party unity was strained to the utmost but it became rapidly clear that Adenauer would not be deposed and that his decision to remain as Chancellor would be "respected".

From the date of Adenauer's reversal on June 4 until June 23, the Chancellor, in a series of press interviews throughout the Western world did his utmost to destroy the prestige of Erhard. He sought to do this by creating an image of Erhard as an efficient technician but of such political inexperience and naivete that he could not become Chancellor. It was his apparent aim to force Erhard to resign or to give up the struggle in the interests of party unity. Erhard, enraged, did what he could to recoup his reputation but any crumbs of comfort he was able to get from the Chancellor in the form of half-hearted public statements of trust could not restore the lustre which had been built up around him during the past five months. Erhard remained as the CDU's "logical" candidate for 1961, assuming that Adenauer will not run again, but it is doubtful whether he will be able to retain this position. The German electorate's notorious penchant for strong men is likely to cause the CDU to have second thoughts about the wisdom of running for Chancellor a man who, for whatever sound reasons, quit the field in a major political fracas.

#### A Pyrrhic Victory

The reasons why Adenauer felt it necessary to eliminate Erhard from the political scene can only be answered by the Chancellor himself. It is true that Erhard, as a doctrinaire free trade economist, was unwilling to sacrifice his economic aims on the grounds of political expediency and that his lack of enthusiasm for the Common Market ran counter to Adenauer's policy of rapprochement with France. On the other hand, Erhard has been a consistent supporter of the larger goals of the Chancellor's pro-western foreign policy, campaigned for him vigorously and was considered a loyal and indispensable member of the Adenauer team. Adenauer may have been convinced that Erhard, as Chancellor, would follow a course inimicable to <sup>the</sup> best interests of the Federal Republic. A less charitable explanation lies in the psychological makeup of the 83 year old Adenauer who was unwilling to face a period of decreasing prestige and power as the CDU began to consider the 1961 national elections. After the resignation of Bluecher in October 1957 Erhard was named Vice Chancellor and therefore assumed the role of titular crown prince. Important elements of the Gerstenmaier group of the CDU, smarting under the Chancellor's methods of control, sought to formalize Erhard's claim to the Chancellorship. As a result cracks in the undivided loyalty of the party to their venerable chief began to appear.

Whatever the reasons, from the moment Adenauer committed his prestige to the downfall of his Economics Minister by elevating him to the Presidency, the events that followed were inevitable. The party revolt which met his initial action had to be met head-on. Adenauer's course of action is a classic example of the vulnerability of a consummate and entrenched politician who is forced to invoke his personal charisma and his political record as deciding factors in a struggle with rivals.

CONFIDENTIAL/NOFORN

- 4 -

Adenauer remains as Chancellor; Erhard's political future is at best uncertain. For the time being the CDU for reasons of its own self-preservation must bind up its wounds and face the German electorate, with the best semblance of unity it can muster after a struggle which could have destroyed it. The price which has been paid may be enormous. Adenauer, far from being credited with consummate political genius, has been charged with vacillating petulance, stubbornness and dictatorship. His moral leadership has been severely undermined and his influence in world affairs, particularly his moral influence, seriously compromised. More important his actions have cast doubt on constitutional democracy in the Federal Republic, raising the question whether its democratic structure is based on recognized law and principle or on the whims of one man.

At present Adenauer and Erhard have achieved a superficial reconciliation on the basis of a letter of June 23 from the Chancellor to his Economics Minister in grudging expiation of his statements made to the press about Erhard's abilities. There is no certainty, however, that he will not continue to make such statements in the future. The CDU deputies are most unforgiving of Adenauer's actions and are particularly bitter about the interviews with the foreign press in which the Chancellor has attacked not only Erhard but also belittled the leaders of two of his major Allies, the US and the UK.

#### Foreign Policy

The foreign policy of the Federal Republic during the period of the Adenauer-Erhard battle has been one of negative, sterile inflexibility. Department officials at the Geneva Conference have reported an almost total lack of productive contribution from the West German delegation. Prior to the Conference, German members of the Allied Working Group were forced to modify drastically, on direct orders of the Chancellor, a number of constructive plans presented to the group as a German program. Adenauer's policy of strength, inflexibility and determination not to give ground to the Soviets was itself quixotically altered when the Chancellor moved to hold the Presidential elections in Bonn rather than West Berlin.

And yet it is in the field of foreign policy where Adenauer is likely to try to recoup his lost ground, restore his leadership and re-emerge as the great statesman of Europe. The death of John Foster Dulles, which affected Adenauer very greatly, has reinforced the Chancellor's deep sense of personal mission. It can be anticipated that he will, in the coming weeks, renew his campaign for Allied unity on the basis of a five year moratorium on the Berlin question. There are reports which indicate he intends to travel to Great Britain and France in an effort to persuade Macmillan and De Gaulle to rally behind him. His continued attacks on Macmillan's foreign policy make it doubtful whether he will succeed in such a mission to the UK. It is equally doubtful whether any action short of a settlement of the Berlin crisis favorable to the West and to the Federal

CONFIDENTIAL/NOFORN

881137-25

CONFIDENTIAL/NOFORN

- 5 -

Republic in particular and for which he can claim a large measure of credit, and in which he has played an obvious dominant role, can recreate the image of a German statesman in the tradition of Bismarck and Stresemann.

Conclusions

The internal political battle in German politics between Adenauer and Erhard has spread far beyond the narrow cockpit of party caucus into the national and international arena. It is the personal story of a man with deep faith, profound conviction and complete confidence who considers himself justified in running rough-shod over his associates in the interests of an historical mission which he feels has been entrusted to him. It has many aspects of Greek tragedy: the self-destruction of an individual who, once started on a course of action, must inexorably carry it to its conclusion because of pride and belief in the sanctity of his own intuition.

German parliamentary democracy has been and will continue to be severely tested as the old man, apparently still cock-sure, unrepentant and strong-willed, pits himself time after time against the bitter opposition and even hatred of the smaller men around him.

State - FD, Wash., D. C.

CONFIDENTIAL/NOFORN

881137-252